

MINUTES

UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES

January 10, 2019

The University of Southern Indiana Board of Trustees met in regular session on Thursday, January 10, 2019, at the Conrad Hilton in Indianapolis, Indiana. Present were Chair W. Harold Calloway and Trustees John M. Dunn; Christine H. Keck; Jeffrey L. Knight; Anjali Patel '19; Ronald D. Romain '73; and Kenneth L. Sendelweck '76. Trustees Ellis S. Redd and Ted C. Ziemer, Jr. were absent. Also in attendance were President Ronald S. Rochon; Provost Mohammed Khayum; Vice President for Finance and Administration Steven J. Bridges '89 M'95; Vice President for Enrollment Management Andrew W. Wright; Vice President for Development David A. Bower; Vice President for Marketing and Communications Kindra L. Strupp; Faculty Senate Chair Kenneth M. Purcell; and Student Government Association President Bradley T. Flittner '19.

Chair Calloway called the meeting to order at 10:09 a.m.

SECTION I – GENERAL AND ACADEMIC MATTERS

A. APPROVAL OF MINUTES OF NOVEMBER 1, 2018, MEETING

On a motion by Mr. Dunn, seconded by Mr. Knight, the minutes of the November 1, 2018, Board of Trustees meeting were approved.

B. ESTABLISHMENT OF NEXT MEETING DATE, TIME, LOCATION

Mr. Calloway called on Vice President Strupp, who reported the next meeting of the Board of Trustees is scheduled for Thursday, March 7, 2019, on campus.

C. PRESIDENT'S REPORT

Chair Calloway called on President Rochon, who began his report by stating spring semester began this year on Monday, January 7. Alumnus Michael Pennington '17, was on campus to meet with senior level nursing students as part of USI's mentor and role model initiative. Mr. Pennington received his Bachelor of Science in Nursing degree in 2017. He is employed at Walter Reed National Military Medical Center in Bethesda, Maryland.

Dr. Rochon provided details of the Martin Luther King, Jr. Memorial Luncheon to be held on January 21. Donna Brazile will be welcomed as the guest speaker for this annual event sponsored by the USI Foundation and Multicultural Center. Ms. Brazile is the former chair of the Democratic National Committee, a *New-York Times* best-selling author, and was named one of the top 50 women in America by *Essence* magazine. She was also named among the 100 Most Powerful Women by *Washington* magazine. A recipient of the Congressional Black Caucus Foundation's highest award for political achievement, Ms. Brazile brings her experience and wisdom to USI at this annual event.

The President called on Provost Mohammed Khayum for a report on Academic Affairs. Dr. Khayum provided an update on the status of the partnership agreement with Astron Institute for International Studies, noting the Memorandum of Understanding is in its final phase of development and should be ready for signature in early spring. USI continues to exceed enrollment projections and receive validation of the quality of the online Master of Business Administration (MBA) program. Enrollment was projected to be at 350 students at this time. However, over 600 students are currently enrolled in the program, which is growing much faster than expected. Of the students enrolled in the online MBA program, 70 percent are from the state of Indiana, with neighboring states Kentucky, Illinois, and Ohio, making up the next largest group. Four countries and 39 states across the nation are represented by the students enrolled in the program.

Dr. Khayum announced USI is among five US schools achieving a 90 percent pass rate or better in the Certified Management Accountant certification. This is compared to a 50 percent pass rate globally. The five US schools achieving this global benchmark are University of Michigan, Cornell University, University of Pittsburgh, University of Southern Indiana, and University of Wisconsin at Madison.

Dr. Rochon called on Vice President Bridges for a report from Finance and Administration. Mr. Bridges introduced Director of Procurement and Risk Management, Dan Martens, for a report on the University's procurement process. Mr. Martens began with an overview of department functions. He explained the Buy USI eProcurement System. Mr. Martens summarized the procedures and policies that USI follows surrounding the Public Works bidding process, contract negotiations, and the Minority and Women-Owned Business Enterprise (MWBE) awarded contracts. Following the 2015 disparity study conducted by a national research firm, USI began to implement suggested measures to increase MWBE participation in USI bidding and contract awards. Mr. Martens concluded his report with a summary of the activities Procurement does at regional, state, and national levels.

Dr. Rochon asked Vice President for Enrollment Management, Andrew Wright, for a report. Mr. Wright provided the Board with an admission and enrollment update for spring, noting the official census report will be on February 1, 2019. He advised enrollment for graduate programs is again at an all-time high, exceeding the record census enrollment from fall 2018. He concluded with a summary of the number of applications and admissions for fall 2019; noting an increase in the number of applications and admissions for first-year students.

President Rochon asked for a report from Vice President for Development, David Bower. Mr. Bower began by announcing a leadership gift from the late Hershel B. Whitney in the amount of \$1,350,000 to fund the Hershel B. Whitney Professorship in Gerontology. This is the first named and endowed professorship for the College of Nursing and Health Professions, and will provide an unrestricted endowment for the Occupational Therapy program. In recognition of this gift, the Hershel B. Whitney Occupational Therapy Lab will be named in the USI portion of the Stone Family Center for Health Sciences. Mr. Bower concluded his report announcing over \$230,000 in year-end gifts from two USI Foundation directors, and total gifts and gift commitments currently at \$4.1 million for fiscal year 2019.

Dr. Rochon called on Vice President for Marketing and Communications, Kindra Strupp, for a report. Ms. Strupp presented a review of the marketing campaigns conducted over a one-year period beginning on February 4, 2018, with the Role Model campaign launched on Super Bowl Sunday. Phase two of the Role Model campaign, "Shaping Role Models" was launched with the new platform for the USI web site on August 14, 2018. Corresponding outdoor, print, digital, and environmental signage was implemented over this marketing campaign period as well. Ms. Strupp concluded her presentation noting the many ways in which the Role Model campaign has been integrated through social media and other publications.

President Rochon introduced and welcomed Dr. Kenneth Purcell, who is serving as Faculty Senate Chair, one semester early, and asked him for a report from Faculty Senate. Dr. Purcell reported on the Indiana Commission for Higher Education (ICHE) visit to campus on November 8. He noted the student presentations to the Commission were successful in that they demonstrated USI's unique student/faculty mentoring relationships, and emphasized the impact that these relationships had on student success. On December 3, 4, 5 and 6, Faculty Senate had the opportunity to meet with each of the finalists for the Provost position for one hour each. Dr. Purcell extended thanks from the Senate to search chair, David Bower, for that opportunity and for the committee's commitment to shared governance and a transparent search process.

Dr. Rochon called on Bradley Flittner, President of the Student Government Association (SGA), for a report. Mr. Flittner highlighted the community events that SGA was involved in over the last semester, including the Southern Indiana Dance Marathon (SIDM) for Riley Hospital for Children, the Love Unites, Love Avails event for the Ronald McDonald House in Evansville, and the SGA food drive for Archie's Food Closet. He noted SGA raised over \$1,661 for SIDM, helping them overreach their \$100,000 goal. SGA's focus this semester is to enhance membership within the organization and a smooth election process. Mr. Flittner concluded his report announcing SGA will host "Rare Conditions Week" in late April, and an Earth Day celebration event led by SGA's Environmental Protection Committee.

This concluded President Rochon's report.

D. REPORT ON THE INDIANA GENERAL ASSEMBLY

Mr. Calloway called on Chief Government and Legal Affairs Officer, Aaron C. Trump, for a report on the Indiana General Assembly. Mr. Trump began with a summary of the introductory meetings recently conducted with members of the local legislative delegation, the Department of Agriculture, and members from Senate Appropriations, House Ways & Means, and the respective Education committees. Mr. Trump explained 2019 is a budget year, therefore, the General Assembly is in its long session scheduled to run through April 29. He

reviewed the initial budget recommendation from the Indiana Commission for Higher Education contrasted with USI's approved budget request in Exhibit I-A.

Mr. Trump stated that more than 660 bills have been filed to date, and projected more will be filed since the deadline for filing has not yet passed. He discussed (HB1218) which would establish the Health Workforce Student Loan Repayment Program, (SB35) Immunity Under the Lifeline Law, which would extend immunity to the individual on whose behalf emergency medical assistance was requested, (SB93) Let Indiana Work For You Program, (SB188) Nursing Faculty Loan Repayment Grant Program, and (SB252) State University and Foundation Information bill, which requires each state educational institution to prepare a report annually that includes graduation and student debt information.

To conclude his report, Mr. Trump announced the Governor's State of the State address is scheduled for Tuesday, January 15. Governor Holcomb is presenting his budget through the State Budget Committee today, which will likely focus on k-12 teacher pay and funding the Department of Child Services.

E. APPROVAL OF CANDIDATES FOR HONORARY DEGREES

The USI Honorary Degree Policy states, "An honorary degree from the University of Southern Indiana is the highest form of recognition granted by the institution. Individuals who have given distinguished and extraordinary service consistent with the mission of the University are eligible for consideration. That service may be to the University itself, and/or to local, statewide, national, or international communities. Individuals selected to receive an honorary degree should exemplify the highest ideals of integrity, service, and dedication to learning."

Chair Calloway called on President Rochon, who in accordance with the policy, recommended the conferral of the following honorary degrees during the Commencement Ceremony on Friday, April 26, 2019, be approved as follows:

DOCTOR OF LAWS to Linda L. M. Bennett, USI's third president, who served the University for 15 years. During her tenure, the University continued to see monumental growth with the addition of numerous building projects, degree programs, and the implementation of two five-year strategic plans. She is an active civic leader and continues to contribute to a variety of organizations in the Evansville community. Her dedication to the University of Southern Indiana students, alumni, and employees; the Tri-State area; and the wider higher education community, merits Dr. Linda Bennett the University's highest recognition.

DOCTOR OF LAWS to Stephen E. Bennett, retired educator and published author, in recognition of his dedication to higher education, establishment of presidential, academic, and athletic scholarships, and his service to USI from 2003 to 2018.

DOCTOR OF LAWS to Betty J. Worthington, longtime supporter of USI, serving the University as a generous friend and leader. She was a director on the USI/New Harmony Foundation Board and continues to be an avid supporter and advocate for the University and New Harmony. She is a champion of the arts, and her support goes well beyond this institution. Many other organizations in this community benefit from her enthusiastic devotion. Because of her dedication in elevating USI and the community, she merits the University's highest recognition.

On a motion by Mr. Knight, seconded by Mr. Romain, the candidates for honorary degrees were approved.

F. APPROVAL OF CONFLICT OF INTEREST STATEMENTS

Mr. Calloway called on Vice President Bridges to review the 2019 Conflict of Interest Statements. Mr. Bridges reported that each year Trustees and senior staff of the University are required to submit a Conflict of Interest Disclosure Statement which is then submitted to the Indiana State Board of Accounts. He recommended approval of the disclosure statements in Exhibit I-B.

On a motion by Mr. Knight, seconded by Mrs. Keck, the Conflict of Interest Disclosure Statements described in Exhibit I-B were approved.

SECTION II – FINANCIAL MATTERS

A. APPROVAL OF RESOLUTION AUTHORIZING SERIES M BONDS

Chair Calloway called on Vice President Bridges for approval of the resolution of the University of Southern Indiana Board of Trustees authorizing Series M Bonds. Mr. Bridges began by explaining Exhibit II-A is a resolution submitted for approval authorizing the issuance and sale of Series M student fee bonds for the purpose of constructing and equipping the Physical Activities Center Classroom Renovation and Expansion. At the July 12, 2018, Board of Trustees meeting, the Board approved the selection of Stifel, Nicolaus & Company, Incorporated as senior manager and Piper Jaffray & Co. as co-manager. Since that meeting, the team has been obtaining the remaining approvals needed and preparing for the issuance of the official statement documents, rating engagements with Moody's and Standard & Poor's, and a due diligence visit with USI and underwriter's legal counsels. Prior approvals from the Indiana General Assembly, the Commission for Higher Education, the State Budget Agency, and the Governor of Indiana have all been obtained so this transaction has received the appropriate financial scrutiny. USI plans to sell the \$41 million in bonds plus cost of issuance on January 23, 2019, with closing scheduled on February 12, 2019.

On a motion by Mr. Dunn, seconded by Mr. Knight, the resolution authorizing Series M Bonds was approved.

B. REPORT OF CHANGE ORDERS APPROVED

Mr. Calloway called on Vice President Bridges, who reviewed the construction change orders approved by the Vice President for Finance and Administration in Exhibit II-B. Mr. Bridges noted the nature of the changes are fairly routine in renovation situations where unplanned issues are discovered in the process of the work.

C. UPDATE ON CURRENT CONSTRUCTION PROJECTS

Chair Calloway called on Vice President Bridges for an update on the status of current construction projects. Exhibit II-C includes a summary of the cost and funding sources for each project reviewed.

SECTION III - PERSONNEL MATTERS

A. REPORT ON FACULTY AND ADMINISTRATIVE RETIREMENTS

Mr. Calloway called on Provost Khayum, who reviewed the following faculty retirement.

Professor of Art Kathryn M. Waters, in accordance with the revised retirement policy, will retire effective January 1, 2020, after 38.5 years of service, including leave with pay from August 13, 2019, to December 31, 2019.

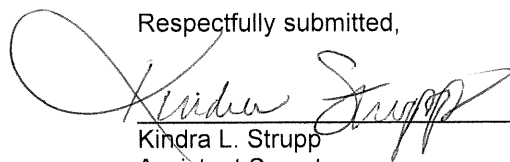
B. APPROVAL OF EMERITUS STATUS

Chair Calloway called on Provost Khayum, who recommended approval of the following emerita title. On a motion by Mr. Knight, seconded by Mr. Romain, the following title was approved.

Professor Emerita of Art Kathryn M. Waters

There being no further business, the meeting was adjourned at 11:22 a.m.

Respectfully submitted,



Kindra L. Strupp
Assistant Secretary

**UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2019-2021
OPERATING BUDGET SUBMISSION SUMMARY/COMPARISON**

	2019-20		2020-21	
	Budget Submission per Instructions	Commission for Higher Education Recommendation	Budget Submission per Instructions	Commission for Higher Education Recommendation
<u>EXPENDITURES</u>				
Expenditure Base	110,246,810	110,246,810	110,246,810	110,246,810
Campus Security Line Item Rolled into Base	0	750,000 a	0	750,000 a
STEM Initiatives Line Item Rolled into Base	0	500,000 a	0	500,000 a
Adjusted Expenditure Base	110,246,810	111,496,810	110,246,810	111,496,810
State Operating Appropriation Base Reduction	0	(2,175,231) b	0	(2,010,053) c
Performance Funding Formulas				
A. Overall Degree Completion	7,500	6,501	7,500	7,539
B. At Risk Degree Completion	450,000	390,150	450,000	452,430
C. STEM Degree Completion	310,000	268,770	310,000	311,674
D. Student Persistence Incentive	605,500	524,926	605,500	608,753
E. On-Time Graduation Rate	3,075,000	2,666,025	3,075,000	3,091,482
Total Performance Funding	4,448,000	3,856,372 d	4,448,000	4,471,878 e
Debt Service	(708,203)	(708,203)	3,680,858	3,680,858
Reallocation of Student Fees	708,203	708,203	(3,680,858)	(3,680,858)
Net Debt Service	0	0	0	0
Total Budget Increases	4,448,000	1,681,141	4,448,000	2,461,825
Total Expenditure Base	114,694,810	113,177,951	114,694,810	113,958,635
Percent Change	4.0%	1.5%	4.0%	2.2%
<u>REVENUE</u>				
Student Fee Base	52,734,874	52,734,874	52,734,874	52,734,874
Fee Increase	0	0	0	0
Transfer (to) from Debt Service	708,203	708,203	(3,680,858)	(3,680,858)
Total Student Fees	53,443,077	53,443,077	49,054,016	49,054,016
Operating Appropriation Base	45,279,008	45,279,008	45,279,008	45,279,008
Campus Security Line Item Rolled into Base	0	750,000 a	0	750,000 a
STEM Initiatives Line Item Rolled into Base	0	500,000 a	0	500,000 a
Adjusted Operating Appropriation Base	45,279,008	46,529,008	45,279,008	46,529,008
Appropriation Increase	4,448,000	1,681,141	4,448,000	2,461,825
Total Operating Appropriation	49,727,008	48,210,149	49,727,008	48,990,833
Percent Change	9.8%	3.6%	9.8%	5.3%
Fee Replacement Appropriation Base	12,232,928	12,232,928	12,232,928	12,232,928
Fee Replacement Change	(708,203)	(708,203)	3,680,858	3,680,858
Total Fee Replacement Appropriation	11,524,725	11,524,725	15,913,786	15,913,786
Total State Appropriation	61,251,733	59,734,874	65,640,794	64,904,619
Percent Change	6.5%	1.7%	14.1%	10.5%
Total Revenue Base	114,694,810	113,177,951	114,694,810	113,958,635

a 2017-19 Line Item Appropriations for Campus Security and STEM Initiatives were rolled into the Operating Appropriation Base in the CHE recommendation
b 4.675% of FY19 Adjusted Operating Appropriation Base (\$46,529,008) plus 2.4998% from new funding to fund Performance Funding Formulas in 2019-20
c 4.32% of FY19 Adjusted Operating Appropriation Base (\$46,529,008) plus 4% from new funding to fund Performance Funding Formulas in 2020-21
d 13.3% per unit reduction of the Performance Funding Formula values in 2019-20
e .535% per unit increase of the Performance Funding Formula values in 2020-21

**UNIVERSITY OF SOUTHERN INDIANA
BIENNIAL BUDGET 2019-2021
COMPARISON OF BUDGET SUBMISSION
WITH INDIANA COMMISSION FOR HIGHER EDUCATION**

	2019-20		2020-21	
	Budget Submission per Instructions	Commission for Higher Education Recommendation	Budget Submission per Instructions	Commission for Higher Education Recommendation
OPERATING BUDGET				
Campus Security Line Item Rolled into Base	0	750,000 a	0	750,000 a
STEM Initiatives Line Item Rolled into Base	0	500,000 a	0	500,000 a
State Operating Appropriation Base Reduction	0	(2,175,231) b	0	(2,010,053) c
Performance Funding Formulas				
Overall Degree Completion	7,500	6,501 d	7,500	7,539 e
At Risk Degree Completion	450,000	390,150 d	450,000	452,430 e
STEM Degree Completion	310,000	268,770 d	310,000	311,674 e
Student Persistence Incentive	605,500	524,926 d	605,500	608,753 e
On-Time Graduation Rate	3,075,000	2,666,025 d	3,075,000	3,091,482 e
Operating Appropriation Adjustments	0	1,250,000 a	0	1,250,000 a
Operating Appropriation Increase	4,448,000	1,681,141	4,448,000	2,461,825

	Submission	Commission for Higher Education Recommendation		
	2019-21	2019-20	2020-21	Total
CAPITAL BUDGET REPAIR AND REHABILITATION				
General R&R	3,850,372	962,593	962,593	1,925,186
Infrastructure	601,476	150,369	150,369	300,738
Total	4,451,848	1,112,962 *	1,112,962 *	2,225,924

* 25% of R&R funding formula

	Submission	Commission for Higher Education Recommendation	
	2019-21	2019-21	Comments
CAPITAL BUDGET FACILITIES			
Health Professions Classroom Renovation and Expansion State Funding Bonding Authorization	48,000,000	48,000,000	\$3,851,644 estimated annual debt service beginning FY21

	Line Item Appropriation	Submission	Commission for Higher Education Recommendation	
	2018-19	2019-21	2019-21	Comments
LINE ITEM INITIATIVES				
Historic New Harmony	486,878			
2019-20		530,697	499,050	2.5% increase of FY19 appropriation
2020-21		576,488	499,050	
Total		1,107,185	998,100	
Dual Credit Enrollment	302,550			
2019-20		292,550	292,550	based on 2016-17 dual credit enrollment
2020-21		292,550	292,550	
Total		585,100	585,100	
USI Campus Security Enhancements	750,000			
2019-20		750,000	0	line item funding rolled into base operating appropriation
2020-21		750,000	0	
Total		1,500,000	0	
USI STEM Initiative	500,000			
2019-20		500,000	0	line item funding rolled into base operating appropriation
2020-21		500,000	0	
Total		1,000,000	0	
Strong Start Summer Bridge Program	0			
2019-20		250,000	0	
2020-21		250,000	0	
Total		500,000	0	

a 2017-19 Line Item Appropriations for Campus Security and STEM Initiatives were rolled into the Operating Appropriation Base in the CHE recommendation
b 4.675% of FY19 Adjusted Operating Appropriation Base (\$46,529,008) plus 2.4998% from new funding to fund Performance Funding Formulas in 2019-20
c 4.32% of FY19 Adjusted Operating Appropriation Base (\$46,529,008) plus 4% from new funding to fund Performance Funding Formulas in 2020-21
d 13.3% per unit reduction of the Performance Funding Formula values in 2019-20
e .535% per unit increase of the Performance Funding Formula values in 2020-21

**Possible Conflict of Interest Disclosure Statements
Filed for 2019**

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
11-14-18	James Beeby Dean, College of Liberal Arts	None	N/A
11-21-18	Mark C. Bernhard Associate Provost for Outreach and Engagement	None	N/A
11-19-18	Carey Beury Senior Executive Assistant to the President	None	N/A
11-26-18	Shelly B. Blunt Associate Provost for Academic Affairs	None	N/A
11-13-18	David A. Bower Vice President for Development; President USI Foundation	None	N/A
11-26-18	Steven J. Bridges Vice President for Finance and Administration	None	N/A
11-14-18	William Harold Calloway Trustee	None	N/A
11-14-18	Katherine A. Draughon Chief Data Officer	None	N/A
12-08-18	John M. Dunn Trustee	Dunn Hospitality Group Evansville Commerce Bank	Majority Stockholder Director
11-15-18	William Elliott, Jr. Associate Professor of Geology and Physics Department; Council of Department Chairs and Program Directors Chair	None	N/A
11-14-18	Heidi Gregori-Gahan Associate Provost for International Programs and Services	None	N/A
11-13-18	Jon Mark Hall Director of Athletics	None	N/A
11-14-18	Mary A. Hupfer Associate Vice President for Finance and Administration; Foundation Fiscal Officer	None	N/A

DATE	NAME/ TITLE	VENDOR/ CONTRACTOR	DESCRIPTION OF FINANCIAL INTEREST
12-08-18	Christine H. Keck Trustee	None	N/A
11-14-18	Mohammed Khayum Interim Provost	None	N/A
11-14-18	Marcia Kennard Kiessling Associate Provost for Student Affairs	None	N/A
11-27-18	Jeffrey L. Knight Trustee	Old National Bank	Shareholder & Employee
11-20-18	Andrew Lenhardt Executive Director of Human Resources; Affirmative Action Officer; Deputy Title IX Coordinator	None	N/A
11-27-18	Ingrid E. Lindy Manager of Human Resource Information Systems; Administrative Senate Chair	None	N/A
11-13-18	Daniel R. Martens Director of Procurement	None	N/A
11-21-18	Brian L. McGuire Interim Dean, College of Business	None	N/A
11-13-18	Zane W. Mitchell Jr. Dean, Pott College of Science, Engineering and Education; Professor of Engineering	None	N/A
11-13-18	Nita Musich Executive Assistant to the President	None	N/A
11-26-18	Anjali Patel Trustee	None	N/A
11-27-18	William T. Pool Transfer Credit Coordinator, Registrar's Office; Staff Council Chair	None	N/A
11-20-18	Kenneth Purcell Associate Professor of Physics; Faculty Senate Chair	None	N/A

NAME/ DATE	VENDOR/ TITLE	DESCRIPTION OF CONTRACTOR	FINANCIAL INTEREST
12-08-18	Ellis S. Redd Trustee	None	N/A
11-19-18	Ronald S. Rochon President	None	N/A
11-13-18	Ronald D. Romain Trustee	None	N/A
11-14-18	Kenneth L. Sendelweck Trustee	Merrill Lynch/Bank of America	Employee
11-16-18	Kindra L. Strupp Vice President for Marketing and Communications	None	N/A
11-14-18	Richard J. Toeniskoetter Chief Information Officer	None	N/A
11-30-18	Aaron C. Trump Chief Government and Legal Affairs Officer	None	N/A
11-14-18	Ann H. White Dean, College of Nursing and Health Professions	None	N/A
11-13-18	Andrew W. Wright Vice President for Enrollment Management	None	N/A
	Ted C. Ziemer, Jr.* Trustee		

*Unable to obtain

**RESOLUTIONS OF THE
UNIVERSITY OF SOUTHERN INDIANA BOARD OF TRUSTEES
AUTHORIZING THE ISSUANCE AND SALE OF
UNIVERSITY OF SOUTHERN INDIANA STUDENT FEE BONDS, SERIES M
FOR THE PURPOSE OF FINANCING NEW PROJECTS
AND CERTAIN RELATED ACTIONS**

WHEREAS, the University of Southern Indiana, a body corporate and politic organized and existing under the laws of the State of Indiana (the “University”) is authorized under various statutes to issue bonds and otherwise incur indebtedness or obligations for the purpose of financing, acquiring, constructing, expanding, renovating, rehabilitating, equipping and furnishing various facilities of the University; and

WHEREAS, the University is authorized to issue student fee bonds under Indiana Code 21-34-6 through 10 and Indiana Code 5-1-5 (collectively, the “Act”), to issue bonds secured by student fees, for the purpose of financing and refinancing educational facilities authorized under the Act; and

WHEREAS, the University has previously entered into a Trust Indenture, dated as of November 1, 1985, as subsequently amended and supplemented (the “Indenture”), which authorizes the University to issue additional student fee bonds to provide funds for any lawful purpose under the Act, including financing of all or a portion of the costs of the acquisition, construction, renovation and equipping of campus facilities; and

WHEREAS, the University intends to finance, acquire, construct, expand, renovate, rehabilitate, equip and furnish the project described in Exhibit A attached hereto and made a part hereof, and to incur indebtedness to finance the same (the “Project”); and

WHEREAS, this Board of Trustees (the “Board”) has previously adopted Resolutions on July 12, 2018 (the “Prior Resolution”) which, inter alia, authorizes the Treasurer to develop a proposed plan of finance (the “Plan of Financing”) for the Project and to present the same to the Board for approval; and

WHEREAS, the Prior Resolution is hereby ratified, conformed, supplemented, amended and updated by this Resolution; and

WHEREAS, the Treasurer has submitted a Plan of Financing to the Board for approval; and

WHEREAS, the Treasurer has obtained all necessary approvals from the Indiana General Assembly, the Commission for Higher Education, the State Budget Agency and the Governor of the State of Indiana along with any other approval necessary to implement the Plan of Financing; and

WHEREAS, the Board now desires to approve the Plan of Financing for the Project; and

WHEREAS, there has now been submitted to the Board a form of Eleventh Supplemental Indenture (the “Supplemental Indenture”), a form of Construction and Rebate Agreement (the

“Construction and Rebate Agreement”), a form of Bond Purchase Agreement (the “Bond Purchase Agreement”), a form of Supplemental and Amendatory Continuing Disclosure Undertaking Agreement (the “Continuing Disclosure Undertaking Supplement”), and a form of preliminary Official Statement (the “Preliminary Official Statement”), all in connection with the issuance of the University of Southern Indiana Student Fee Bond or Bonds, Series M (the “Series M Bonds” or “Bonds”);

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

1. The Board hereby approves the recommendation of the Treasurer to retain the underwriters listed in Exhibit B hereto (the “Underwriters”) (in the respective capacities set forth therein) to implement the Plan of Financing.

2. The Board hereby approves the Plan of Financing, authorizes the Plan of Financing, authorizes the execution and delivery of Bonds and approves the documents referred to in Sections 4 through 9 hereinafter, provided that the following conditions are met.

(a) The total issued amount of obligations shall not exceed the sum of \$41,000,000 for the Project, plus amounts to provide funds for costs of a debt service reserve fund or a surety bond, capitalized interest, credit enhancement, and ordinary and necessary amounts to pay costs of issuance and other costs incidental to the issuance of the Bonds, all as permitted by law;

(b) The Bonds shall be sold at (i) a rate or rates fixed to maturity producing a true interest cost of 5% per annum or less and with such serial or term maturities and redemption features as the executing officers shall approve, or (ii) at a variable rate or rates as established pursuant to the applicable supplemental indenture (or similar instrument) for such series as may be approved and determined by the Board; and

(c) The final maturity on the Bonds shall not exceed twenty-two (22) years from, and including, the date of issue of the Bonds.

3. The Treasurer is hereby authorized to determine the scope of the financing and whether the Plan of Financing will be implemented in one or more series of bonds.

4. Subject to the conditions in Section 2 hereof, the Chair of the Board (the “Chair”), any Vice Chair of the Board (the “Vice Chair”) or the Treasurer, or any of them acting individually, is hereby authorized to execute and deliver a Bond Purchase Agreement in substantially the form approved by the Board, with those changes that the officers so executing shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

5. Subject to the conditions in Section 2 hereof, the Chair or Vice Chair, or either of them, is hereby authorized to execute and deliver, and the Secretary of the University (the “Secretary”) or the Assistant Secretary of the University (the “Assistant Secretary”), or either of them, is hereby authorized to attest the signature of and to imprint the corporate seal of the University on the Supplemental Indenture as necessary in substantially the form approved by the Board, with those changes that the officers so executing shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

6. Subject to the conditions in Section 2 hereof, the Treasurer is hereby authorized as part of the Plan of Financing to distribute or to direct the Underwriters to distribute a Preliminary Official Statement or similar instrument for the Plan of Financing, as necessary, in substantially the form approved by the Board, to prospective purchasers of the Bonds. The Treasurer, if necessary, is further authorized to deem the Preliminary Official Statement as final for purposes of applicable Securities and Exchange Commission rules.

7. Subject to the conditions in Section 2 hereof, the Treasurer is hereby authorized to execute and deliver the form of any final Official Statement for each series as approved by the Board, with those changes that the Treasurer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

8. Subject to the conditions in Section 2 hereof, the Chair, the Vice Chair or the Treasurer, or any of them, is hereby authorized to execute and deliver the form of the Construction and Rebate Agreement in substantially the form approved by the Board in connection with the Plan of Financing, with those changes that the Treasurer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

9. Subject to the conditions in Section 2 hereof, the Chair, the Vice Chair or the Treasurer, or any of them, is hereby authorized to execute and deliver the form of the Continuing Disclosure Undertaking Supplement in substantially the form approved by the Board in connection with the Plan of Financing, with those changes that the Treasurer shall approve, such approval to be conclusively evidenced by the execution and delivery thereof.

10. Subject to the conditions in Section 2 hereof, the Treasurer is hereby authorized to prepare forms of the Bonds as approved by the Committee and to cause the same to be executed by the proper officers of the University, as provided in the Indentures or otherwise. Upon execution of the Bonds, the Treasurer shall deliver the same, as appropriate to the type of transaction to the purchasers thereof upon payment of the purchase price, which price may reflect an underwriters' discount of not more than 0.4% (40 basis points) net of underwriting expenses, and an original issue discount or premium, if any, as permitted by law.

11. Subject to the conditions in Section 2 hereof, the Chair, Vice Chair, Secretary, Assistant Secretary and Treasurer are hereby authorized and directed to perform any and all further acts, to execute any and all further documents or certificates and to publish any notice required to implement the Plan of Financing and to complete the execution and delivery of the Bonds, the Supplemental Indenture, the Bond Purchase Agreement, the Preliminary Official Statement, the Official Statement, the Continuing Disclosure Undertaking Supplement, the Construction and Rebate Agreement, and the other matters referred to herein.

12. The term "Treasurer," as used herein, shall include any Assistant Treasurer appointed by the Board.

Dated this 10th day of January, 2019.

EXHIBIT A
THE PROJECT

Construction and equipping of the Physical Activities Center Classroom Renovation and Expansion, which will be located on the University's campus in Evansville, Indiana, particularly Phase II thereof.

EXHIBIT B
THE UNDERWRITERS

Stifel, Nicolaus & Company, Incorporated, as senior manager

Piper Jaffray & Co., as co-manager

**Summary of Construction Change Orders
Authorized by the Vice President for Finance and Administration**

HEALTH PROFESSIONS CENTER: CLASSROOM RENOVATION/EXPANSION PHASE II

Empire Contractors

CO-001	Further Renovation of Existing Offices and Restrooms	\$ 17,395
CO-002	Reroute, and Repairs due to, Waste Pipe Rerouting	\$ 11,778

PHYSICAL ACTIVITIES CENTER (PAC) RENOVATION

Empire Contractors

CO-017	Beam Relocation, Intercom System Devices, Vendor Changes for Concessions	\$ 14,682
CO-018	Additional Roof Screen Support, Locker Mock-Up	\$ 11,702

**Summary
Construction Projects**

January 10, 2019

Recently Completed

Arc Flash OSHA Code Requirements for Electrical Panels

Project Cost \$ 260,000

Funding Source: Special Projects

Projects Under Construction

Physical Activities Center (PAC) Renovation

Project Cost \$ 27,060,000

Funding Sources:

Legislative Appropriation - 2013	\$ 16,000,000
Special Projects	\$ 3,000,000
Campus Store Reserve	\$ 1,992,100
State Rehabilitation and Repair Funding	\$ 1,622,500
Food Service Reserve	\$ 1,500,000
Kinesiology Special Projects	\$ 1,500,000
Debt Service Funds	\$ 1,445,400

Health Professions Center: Classroom Renovation/Expansion Phase II

Project Cost \$ 4,000,000

Funding Source: Legislative Appropriation - 2015

University Center (UC) West Partial Roof Replacement

Project Cost \$ 525,000

Funding Source: UC Expansion

Fire Alarm System Upgrade

Project Cost \$ 125,000

Funding Source: General Repair and Rehabilitation Appropriation

Projects In Design

Physical Activities Center (PAC) Renovation Phase II

Project Cost \$ 38,500,000

Funding Source: Legislative Appropriation - 2017

Exterior Signage Replacement

Project Cost \$ 500,000

Funding Source:

Parking Reserve	\$	250,000
Landscape Improvements	\$	250,000

Campus Heating - Cooling Water Supply Infrastructure Improvements

Project Cost \$ 410,000

Funding Source: General Repair and Rehabilitation Appropriation

Art Center - Sound Booths

Project Cost \$ 238,106

Funding Source: Private Gifts